

October 15, 2004

Mr. Michael Kansler
President
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

SUBJECT: VERMONT YANKEE NUCLEAR POWER STATION - EXTENDED POWER
UPRATE REVIEW SCHEDULE (TAC NO. MC0761)

Dear Mr. Kansler:

By letter dated September 10, 2003, Entergy Nuclear Vermont Yankee, LLC and Entergy Nuclear Operations, Inc. (Entergy or the licensee), submitted a proposed license amendment to the U.S. Nuclear Regulatory Commission (NRC) for the Vermont Yankee Nuclear Power Station (VYNPS). The proposed amendment, "Technical Specification Proposed Change No. 263, Extended Power Uprate" would allow an increase in the maximum authorized power level for VYNPS from 1593 megawatts thermal (MWT) to 1912 MWT.

In a letter dated February 20, 2004, the NRC staff informed Entergy that the staff had completed its acceptance review of the VYNPS extended power uprate (EPU) license amendment application and established a forecast review completion date of January 31, 2005. The purpose of this letter is to provide notification that the staff's review schedule will be impacted, primarily due to concerns regarding the steam dryer analysis.

From the early stages of the VYNPS EPU review, the NRC staff has emphasized that steam dryer integrity was an area receiving a very high level of attention by the NRC due to industry operating experience with steam dryer failures following EPU implementation. Although the steam dryer performs a nonsafety-related function, it must maintain its structural integrity to prevent the occurrence of loose parts in the reactor pressure vessel or attached piping systems that could degrade the ability of safety-related components to perform their safety function.

During the review, in an attempt to resolve our steam dryer concerns, the NRC staff has requested additional information, held three public meetings with Entergy, and performed an audit of the steam dryer analysis at the General Electric office in San Jose, California. Based on review of the information provided in the application, the supplements received through October 7, 2004 (Supplements 1 through 20), and the results of the audit, the NRC staff has determined that the information submitted by the licensee to date does not yet provide sufficient assurance that the VYNPS steam dryer will remain capable of maintaining its structural integrity under EPU conditions. During the audit and the most recent public meeting, Entergy staff indicated that further information will be submitted to address the NRC staff concerns related to steam dryer integrity. The NRC staff expects that Entergy will address additional measures as necessary to account for uncertainties of the analysis.

In addition to the steam dryer concerns, information is needed from the licensee to address technical issues raised during the engineering inspection recently performed at VYNPS. Entergy has recently submitted some of this information. The remaining information is expected to be submitted in the near future.

The next major milestone in the VYNPS EPU review schedule is for the NRC staff to provide a draft Safety Evaluation (SE) to the Advisory Committee on Reactor Safeguards (ACRS). This milestone supports an ACRS subcommittee meeting that was scheduled for mid-November, and an ACRS full committee meeting in early December. Based on the current status of the review, the draft SE cannot be completed in time to support the planned ACRS meetings. Therefore, the staff has notified the ACRS that the November and December meetings will need to be rescheduled.

Following receipt and review of the supplemental information, the staff will coordinate with the ACRS to reschedule the meetings. At that time, the staff will also further assess the overall review schedule and establish a new review completion date. At present, it is clear that the original forecast review completion date of January 31, 2005, will be delayed by at least several months. The NRC staff will not approve the VYNPS EPU, or any other changes to a reactor's license, unless we can conclude that the proposed change can be executed in a manner that ensures the public's health and safety.

If you have any questions, please contact the VYNPS Project Manager, Mr. Richard Ennis, at (301) 415-1420.

Sincerely,

/RA/

Ledyard B. Marsh, Director
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-271

cc: See next page

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